

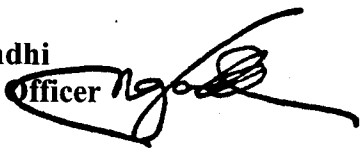
**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Vincent C. Gray  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** NOV 14 2008

**SUBJECT:** Fiscal Impact Statement: "Medicaid State Plan Amendment to Exempt Qualified Medicare Beneficiaries from Adjustments and Recoveries Approval Resolution of 2008"

**REFERENCE:** Draft Resolution – Number Not Available

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**Conclusion**

Funds are sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed resolution.

**Background**

Under the Qualified Medicare Beneficiaries (QMB) program, Medicare recipients are eligible to have Medicare premiums, co-pays, and deductibles paid by Medicaid. Currently, the estates of all Medicaid individuals who are over the age of 55, including QMBs, are subject to adjustments and recoveries for any services provided while enrolled in Medicaid.

The proposed Medicaid State Plan Amendment would exclude QMBs' estates from recoveries and adjustments for premiums, co-pays, and deductibles.

## **Financial Plan Impact**

Funds are sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed resolution.

The proposed State Plan Amendment would not have an impact on the budget and financial plan because it has been the practice of the District, over the past five years, to exclude QMBs' estates from recoveries and adjustments for premiums, co-pays, and deductibles. The Medicare Improvement for Patients and Providers Act of 2008<sup>1</sup> allows Medicaid agencies to clarify this exemption by specifically excluding QMBs from estate recoveries in their Medicaid State Plans. Therefore, the proposed resolution would simply amend the District's Medicaid State Plan to conform to current practice, which would not result in any impact to the budget and financial plan.

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<sup>1</sup> Public Law 110-275, July 15, 2008, 122 Stat 2494.